

Frequently Asked Questions (FAQs)

on Bank Indonesia Circular Letter Number 10/21/DPM dated May 23, 2008, concerning
Operation of the Bank Indonesia - Scripless Securities Settlement System

Q.	When is the BI-SSSS operated?
A.	The BI-SSSS is operated every working day with the same operating hours as the BI-RTGS System, except for the BI-SSSS cut-off time which is earlier than the BI-RTGS System cut-off time. The operating days and hours may be changed by the Operator.
Q.	How can the Operator change the BI-SSSS operating hours?
A.	The BI-SSSS operating hours may be changed by the Operator based on : 1. Operator's policy (extension or reduction); 2. Participant's request (extension).
Q.	How can Participants know about the changes of the BI-SSSS operating time?
A.	In case of any different stipulation or change of operating days or hours, the Operator shall notify all Participants through the BI-SSSS (administrative messages) and/or other facilities.
Q.	To whom shall Participants forward their request for a change of the BI-SSSS operating hours and what is the consequence of the request?
A.	For any Participant which is also a BI-RTGS System Participant, the request for the change of operating hours shall be submitted in writing to the BI-RTGS System Operator in accordance with applicable provisions concerning BI-RTGS System. As for Sub-Registry Participant, the request shall be submitted by the Paying Bank designated by the Sub-Registry Participant to the BI-RTGS System Operator in accordance with applicable provisions concerning BI-RTGS System. For such request the Participant shall be charged a fee in accordance with applicable provisions concerning BI-RTGS System.
Q.	What fees shall be charged on Participants for the application of the BI-SSSS? When and how shall those fees be charged by the Operator?
A.	The fees which shall be charged on Participants are fee for Transaction with Bank Indonesia, settlement fee, fee for information request to the Operator, and fee for

transmission ...

	<p>transmission of Administrative Messages which amounts shall be based on operating time, and fee for the application of Guest Bank Facilities.</p> <p>The fees for each Participant shall be calculated by the Operator at the end of each day and be charged on 1 (one) following working day by debiting Demand Deposit Account of Participant or Paying Bank designated by the Participant.</p>
Q.	How is the calculation of fee for the application of Guest Bank Facilities?
A.	<p>The fee for the application of Guest Bank Facilities shall be calculated based on the duration as of the system start-up up to the system shut-down which is accumulated in one day with a time rounding up of 1 (one) hour. In the event of a State of Emergency, the Operator may exempt Participants from the fee for the application of Guest Bank Facilities.</p>
Q.	What requirements shall be fulfilled to become a Participant?
A.	<p>Any party which has fulfilled criteria of type of Participant is required to fulfill requirements as follows.</p> <ul style="list-style-type: none"> a. To possess facilities which meet technical requirements. b. To fulfill requirements of Participant type (among other things, for bank, has become a Direct Participant in the BI-RTGS System and/or has applied to become an SBN Auction Participant or has been designated as a Primary Dealer; for Sub-Registry, has been approved by Bank Indonesia as a Sub-Registry; and for Securities Company, has applied to become an SBN Auction Participant or has been designated as a Primary Dealer). c. Any prospective Participant of no BI-RTGS System Participant is required to designate a Paying Bank.
Q.	How is the procedure of application to become Participant?
A.	<p>Any prospective Participant shall submit a written application to the Operator, enclosed with comprehensive supporting documents. If the application is approved, the Participant shall submit the Agreement on the Application of BI-SSSS between Operator and Participant to the Operator no later than 1 (one) month as of the date of the letter of approval. A Participant of no BI-RTGS System Participant is required to submit Authenticator Text data to the Operator under the procedure of Authenticator Text data management.</p>

	For Participant which head office is located outside the working area of Bank Indonesia Head Office, a copy of the application letter shall also be forwarded to local Bank Indonesia Regional Office.
Q.	What have Participants to do to fulfill participation obligations?
A.	To fulfill participation requirements, Participants shall maintain BI-SSSS system and security in accordance with the minimum standard of maintenance and security, provide written BI-SSSS operating procedures, provide a back-up procedure and system to guarantee the continuity of BI-SSSS operations in any Abnormal Condition or State of Emergency, fulfill administration procedure relating to the application of the BI-SSSS (data or information updating, fund settlement limit data management, broker bidding limit management, authenticator text data management).
Q.	May a second leg transaction settlement on Securities transaction among Participants in secondary markets be discontinued (early termination)?
A.	Yes. The Operator may conduct an early termination by request of one of the Participants in transaction, decision of the authorized supervisory institution, sentence of the court and/or arbitration institution with a final and binding legal force.
Q.	May Participants request for a change of membership status? What reasons may be used as the basis for the request?
A.	Yes. Any Participant may request for a change of membership status, namely from active to closed. The change may be requested by any Participant which is under process of a merger or consolidation or due to any other reason.
Q.	How is the procedure of application for a change of membership status?
A.	The application for a change of membership status shall be submitted in writing to the Operator, enclosed with supporting documents consistent with the reasons of the change of membership status. In the event of a termination of membership, the Participant is required to settle all of its liabilities in advance, including Funding Facility redemption and second leg transactions before maturity, and to take all of the balance out of its Securities Account.
Q.	How and what for is a supervision/examination on a Participant exercised by the Operator?

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A.	<p>The Operator shall exercise a direct supervision by examination on Participant business location and an indirect supervision by monitoring/analysis on Participant's activities through the system at the Operator or based on data/information obtained by the Operator from the Participant or any other party.</p> <p>The supervision/examination is intended to ensure that the Participant has fulfilled its obligations as a Participant.</p>
Q.	Is there any sanction imposed by the Operator on Participants? In what cases shall the sanction be imposed?
A.	<p>Yes. The Operator may impose administrative sanction in the form of written warning to any Participant that violates provisions concerning BI-SSSS and/or fails to fulfill obligations contained in the Agreement on the Application of BI-SSSS between Operator and Participant.</p>

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